

A STUDY ON CUSTOMERS SATISFACTION ON PERODUA CARS

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ABSTRACT

This research attempts to analyze the customer satisfaction on Perodua car. The main objectives of this study are to determine to what extent customers are satisfied or not satisfied with Perodua car and to determine what are the factors that influence the selection of car when a customer wants to decide to purchase a car. Then based on the result findings, recommendations will be provided at the end of this report on how Perodua should make improvements to fulfill its customer's satisfaction.

This report starts by providing a general background of the selected company. A literature review is included to provide an overview on customer satisfaction and the importance to satisfy the wants of customer. The research methodology for this study is explained in this report. The findings of the research are derived through analysis of respondents' feedback done by using SPSS software.

The findings from this study suggest that the respondents' perceptions on perodua car are generally only at the level of "agree" and "neutral". The respondents also put price factor as the number one priority when considering purchasing a car. Recommendations in this research revolve around providing solutions to improve the customer satisfaction on Perodua car by addressing the most critical dimension.

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CHAPTER 1

INTRODUCTION

1.1 Background of Company

Perodua, acronym of *Perusahaan Otomobil Kedua Berhad* (in English, Second Automobile Manufacturer Limited Corporation) is Malaysia's second automobile manufacturer after Proton. It was established in 1993. From the outset, Perodua focused on the lower end of the market to offer affordable cars to Malaysians. In fact, Perodua created a whole new market segment below 1,000cc that had never been particularly popular before.

Perodua's focus on compact cars was also the result of having Daihatsu, the leading compact car manufacturer in Japan, as a shareholder and technology supplier. This gave Perodua access to advanced automotive technology, particularly for the mini cars, so that it could get into automobile manufacturing quickly.

The joint venture partners or shareholders of Perodua and their respective shareholding are UMW Corporation Sdn Bhd (38%), Daihatsu Motor Co. Ltd. (20%), MBM Resources Berhad (20%), PNB Equity Resources Corporation Sdn Bhd (10%), Mitsui & Co. Ltd (7%) and Daihatsu (Malaysia) Sdn Bhd (5%).

In August 1994, the first Perodua model- Kancil, was launched and it won the hearts of Malaysians of all ages. But more importantly, the car came with a price tag that was within the reach of many people. More models were included in the Perodua range over the years to meet the needs of different customer segments. The Rusa, for example, was a small window van targeted for use by families as well as small

CHAPTER 2

LITERATURE REVIEW

Richard W. Buchanan (2000) said that, a customer is someone with a problem, they a willing to pay someone else to solve for them. Most commonly they are those who pay for products and services.

Shapiro (1983) discussed, when sellers control a market (as with a monopoly), product quality is reduced if buyers cannot be fully and accurately evaluated before purchase. A firm's ability to signal trust, and thus engender customer confidence, becomes important as a guarantor of quality. Providing greater helps alleviate some concerns buyers may have about the quality of products.

Mike Asher (1996) has written, organizations had traditionally focused on the quality of the product or service that they had offered. All effort had gone towards getting this right, often at the expense of the wider service offering. Analysis of complaints in many larger organizations reveals that in most cases customers are to a large extent happy with the basic product or service but experience difficulties with the ancillary services such as delivery, invoicing, packaging and customer contact. These areas had been neglected as management concentrated on the production areas to reduce costs.

According to Gary Yardley and Jan Kelly (1996), the purpose of service is to attend to your customers. It is the ultimate respect you can give. Self-protective barriers have been built by your customers so that they can feel safe and comfortable. If your customers matter to you, you have to build a service that recognizes the differences, so that these differences become special. Customer service is not about slotting all